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**300.17****Collecting Fraud and Abuse Data****Overview**

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<b>Policy</b>	Local WIC agencies shall ensure employee, vendor and participant fraud and abuse information is reported to the state agency.
<b>Purpose</b>	The purpose of this policy is to allow the state agency to track fraud and abuse information in order to detect trends and to allocate technical assistance resources accordingly.
<b>Examples</b>	Below provides examples of employee, vendor, and participant fraud and abuse that should be reported.

**Employee**

Employee fraud and abuse is the intentional conduct of a State, local agency or clinic employee which violates program regulations, policies, or procedures and may include, but is not limited to:

- Misappropriating or altering food instruments or Cash Value Vouchers (CVVs)
- Entering false or misleading information in case records, or
- Creating case records for fictitious participants.

Reference: 7 CFR 246.2

**Vendor**

Vendor fraud and abuse may include, but is not limited to:

- Issuing “rain checks” or credit in exchange for WIC food instruments
- Accepting the return of food purchased with WIC food instruments for cash or credit toward other purchases
- Charging WIC participants more than non-WIC customers or charging WIC participants more than the current shelf price.

**Participant:**

Participant fraud and abuse may include, but is not limited to:

- Sell or exchange of WIC food instruments for cash or credit
  - Attempting to sell, return, or exchange foods for cash or credit
  - Knowing and deliberate misrepresentation of circumstances to obtain benefits (resulting in a false determination of eligibility).
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**Procedure**

The table below describes the procedure of collecting and reporting fraud and abuse data.

Step	Action
1	<p>The local agency must notify the State office in writing all cases of suspected and reported employee, vendor, or participant fraud or abuse.</p> <p>Cases of suspected and reported employee, vendor, or participant fraud or abuse that have been reported to the state office will be forwarded to the appropriate local agency for follow-up.</p> <p>The local WIC agency must include on the Fraud and Abuse Data Collection Form the following:</p> <ul style="list-style-type: none"> <li>• Agency Name</li> <li>• Month and Year</li> <li>• Number of incidents reported</li> <li>• A description of the fraud or abuse incident</li> <li>• who was involved with the fraud and abuse case (staff, vendor, or WIC participant)</li> <li>• the estimated dollar loss to the WIC Program, and</li> <li>• the outcome of the fraud and abuse investigation.</li> </ul>
2	<p>Local WIC agency staff will submit the Fraud and Abuse Data Form to the Program Planner at the state office no later than 45 days following the initial allegation. A copy of the form should be kept in the local WIC agency's files.</p>
3	<p>The state WIC office will analyze the data to detect trends in fraud and abuse.</p> <p>Note: Record retention is the responsibility of the state WIC office.</p>

**Form**

A copy of the fraud and abuse data form is located on the next page.

## FRAUD AND ABUSE DATA COLLECTION FORM

AGENCY: \_\_\_\_\_ MONTH \_\_\_\_\_ YEAR \_\_\_\_\_

Number of suspected or reported incidents: \_\_\_\_\_ Name of person completing form: \_\_\_\_\_

	Description of the Fraud or Abuse Incident	Place an "x" in the box below that identifies the person involved in the fraud and abuse case.			Estimated dollar loss to the WIC Program	Outcome of fraud or abuse investigation
		Staff	Vendor	WIC Participant		
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

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